

Annapolis, Md., December 22, 1904.

The Board of Public Works met in the Executive Chamber in the City of Annapolis pursuant to adjournment on Thursday December 22nd, 1904, at 2:30 P. M.

Present: Hon. Edwin Warfield, Governor; Hon. Murray Vandiver Treasurer; Hon. Gordon T. Atkinson, Comptroller.

Attorney General, William Shepard Bryan, Jr., was also present at the legal adviser of the Board.

On motion, the reading of the minutes of the last meeting was dispensed with.

The Governor stated that he had requested from the Attorney General an opinion on the tax exemption raised by Treasurer Vandiver at the last meeting of the Board.

The Attorney General's opinion having been published in full in the daily press, its reading was, on motion, dispensed with, but was ordered spread in full upon the minutes of this meeting together with the letter of the Governor requesting this opinion.

December 19, 1904.

To Hon. Wm. Shepard Bryan, Jr.,

Attorney General of Maryland,

Maryland Telephone Building,

Baltimore, Maryland.

Dear Sir:

As you know, Hon. Murray Vandiver, State Treasurer, at the meeting of the Board of Public Works held on the 14th, inst., to consider the bids for the State's interest in the Chesapeake and Ohio Canal gave his reason for opposing the acceptance of either of the bids for said interest. They are fully set forth in the statement made by him upon that occasion and published in the daily papers.

I respectfully request that you give me your opinion as to the exemption from taxation contained in the charter of the Canal Company. I want especially to know whether a purchase of the State's interest in the Canal Company, can, by tendering the money for the prior liens and claims obtain control of the Company and operate a railroad under the charter of the Canal, thus escaping taxation upon its tracks, equipments etc.

I would also like to know the present status of the equity suit now pending in the Circuit Court for Washington County, and will appreciate any suggestion you may make in regard to Mr. Vandiver statement, etc.

Very sincerely yours,

Edwin Warfield,

Governor of Maryland.

Baltimore, December 20th, 1904.

Dear Sir:

In reply to your inquiry about the sale of the State's interest in the C & O. Canal, and as to the exemption of the C. & O. Canal Company from taxation I beg to say.

Section 48 of Article 3 of the Constitution of Maryland as amended by Ch. 195, of the Acts of 1890, ratified by the people on November 3rd, 1891 provides that after the adoption of that Article "the General Assembly shall not alter or amend the charter of any corporation then existing, nor pass any general or special Act for the benefit of any such corporation, except upon the condition that such corporation shall surrender all claim to exemption from taxation or from repeal or modification of its charter and that such corporation shall hereafter hold its charter subject to the provisions of this constitution; and any corporation chartered by this State which shall accept, use, enjoy or in any wise avail itself of any rights, privileges or advantages that may hereafter be granted or conferred by any general or special act shall be conclusively presumed to have thereby surrendered any exemption from taxation to which it may be entitled, under its charter, and shall be thereafter subject to taxation, as if no such exemption has been granted by its charter.

From this it clearly follows that if at any time after November 3rd, 1891, the C. & O. Canal Company should obtain any amendment of its charter giving it any rights and powers which it did not at the time of the adoption of the above quoted amendment to the Constitution possess, the effect would be to destroy the Canal Company's exemption from taxation.

So far as I have been able to ascertain there has been no legislation by the General Assembly of Maryland giving the C. & O. Canal Company the power to operate a railway or to engage in any

other business not directly connected with the Canal. Therefore, there is no reasonable ground to apprehend that any purchaser of the State's interest in the Canal might pay off the liens on the Canal and then operate a railway on the Canal property, under the Canal Company's charter and thus secure an exemption from taxation for the railway. For it would be necessary to obtain an amendment of the charter of the Canal Company to enable that Company to operate and maintain a railway, and the obtaining the acceptance of the amendment of the Company, would, of its own force, work a repeal and surrender of the exemption from taxation contained in the original charter of the Canal Company.

I understand from you that at the hearing before the Board of Public Works on December 15, 1903, Mr. Landstreet the highest bidder for the State's interest in the C. & O. Canal, declared his willingness to execute any paper the State's officers might desire, agreeing to a waiver on the part of himself, his heirs and assigns of any possible right of exemption from taxation of any Canal lands acquired for railroad purposes.

A clause could very easily be inserted in the assignment of the State's interest in the Canal property to the purchasers making the transfer void unless the purchaser, by a date to be named in the deed of assignment, caused a resolution to be passed at a general meeting of the stockholders of the C. & O. Canal Company, waiving any exemption from taxation or asking and assenting to an amendment of the charters of the Canal Company repealing the exemption from taxation granted the Canal Company by the Act of 1824 or by any other act of Assembly.

The insertion of a clause of this character in the deed of assignment would remove any ground of apprehension that any new railway started by the purchaser of the State's interest in the Canal, or his assigns, could secure for such new railway any exemption from taxation.

In answer to your enquiry as to the present status of the equity suit now pending in the Circuit Court of Washington County in which the affairs of the C. & O. Canal are being administered, I beg to state, that in order to understand the present status of that case and the effect of that case upon the commercial value of the State's interest in the Canal, it is necessary to bear in

mind that the persons holding bonds of the Canal Company issued under the authority of Chapter 281 of the Acts of 1844 who are commonly called "the bond holders of 1844" have been decided both by Chief Judge Alvey sitting in the Circuit Court for Washington County and by the Court of Appeals to have a lien upon the poles and revenues of the Canal Company superior to the State's liens upon those tolls and revenues, to have no lien whatever upon the corpus of the Canal; when the Canal is sold the bondholders of 1844 will be in the distribution of the proceeds of sale postponed to all lien holders including the State of Maryland, and will be in the position of mere unsecured creditors.

In the decree for the sale of the Canal passed by Chief Judge Alvey in the Circuit Court for Washington County on the 2nd day of October 1890 the sale was postponed until "the end of four years from the first day of May next" (that is four years from May 1st, 1891) provided the bond holders of 1844 should perform certain conditions precedent viz: (a) Take up all repair bonds of 1878 which were a prior lien upon both the corpus and the revenues of the Canal. The decree provided that upon their paying the amount of these repair bonds of 1878 with interest the bondholders of 1844 should be subrogated to the rights of the holders of these repair bonds of 1878; (b) That the trustees for the bondholders of 1844 should give bond to the State in the penalty of \$600,000 to perform the terms of the decree; (c) That the trustees for the bondholders of 1844 should at their own cost and expense so repair the Canal that it could be operated. Upon these conditions, the trustees for the bonds holders of 1844, were, until four years from May 1st, 1891, or until May 1st, 1895, to be given possession of the Canal to show whether they could so manage it as to procure a net revenue over and above the expense of operating and maintaining the Canal, with which to pay these bonds of 1844. The Court in this decree reserved the right "for good and sufficient cause" to extend the time during which these trustees for the bondholders of 1844 should hold and operate the Canal.

These trustees of the bondholders of 1844, performed the conditions exacted of them by Judge Alvey's decree and the possession of the Canal was turned over to them.

The State of Maryland appealed from this decree, Attorney

General Whyte insisting, in accordance with the wishes of the Board of Public Works, that there ought to be a decree for an immediate sale of the Canal. This decree was, however, affirmed by the Court of Appeals on the 20th, day of February, 1891 (73 Md. 484).

On February 15th, 1894, Judge Stake in the Circuit Court for Washington County on the petition of the trustees for the bond holders of 1844, and against the objection of Attorney General Poe, on behalf of the State of Maryland passed an order extending "for good and sufficient cause" the period during which these trustees for the bond holders of 1844 should retain possession of the Canal to the end of six years from the 1st, day of May nineteen hundred and ninety five.

Attorney General Poe on behalf of the State appealed from this order.

This appeal was argued first at the October term 1895 and again at the April Term, 1896 and Judge Stake's order was affirmed by the Court of Appeals on June 17th, 1896 (83 Md. 549).

Again on April 29th, 1901, Judge Stake on petition of the trustees for the bondholders of 1844 and against the objection made on behalf of the State of Maryland by Attorney General Rayner decreed that the period during which these trustees for the ~~kan~~ bondholders of 1844 should have possession of and operate the Canal be "for good and sufficient cause" shown, extended to the end of four years and eight months from the first day of May 1901."

Attorney General Rayner appealed from this order on behalf of the State but the Court of Appeals on January 15th, 1902, affirmed the order (94 Md. 487).

Judge Page (94 Md. 495, 496) in delivering the opinion of the Court of Appeals on this last appeal quoted with approval the language used by Judge Fowler in delivering the principal opinion of the Court on the second appeal as follows: "When it appears, says the Court and not till then that the property cannot be operated so as to produce revenue applicable to the payment of the bonded indebtedness of the Company then under the provisions of the decree affirmed by this Court, the Court may be asked to decree a sale under the State's mortgage until that time, in other words, until it clearly appears that the liens of the appellees are valueless, and can therefore, neither be lessened nor impaired, a

sale \* \* \* \* can be supported upon no ground legal or equitable."

Whether or not the trustees of the bond holders of 1844 will be able to convince the Courts that it is proper and just to again postpone the sale of the Canal after January 1st, 1896, and to permit the trustees of the bondholders of 1844 to retain still longer possession of the Canal for the purpose of satisfying the debts due by the Canal Company to these bondholders of 1844, it is impossible for any one to foretell. Speaking with that reserve which is always proper to observe in endeavoring to forecast the decisions of the Courts I can, however, say that the probabilities are very strong that, if the trustees of the bond holders of 1844 can convince the Court that there is any reasonable prospect of their being able, by any further operation of the Canal, to obtain any net revenue over and above the expense of operating and maintaining the Canal which can be applied in satisfaction of these bonds of 1844 the Court will still further extend the time during which these trustees may hold and operate the Canal.

It would seem to follow upon the rulings of the Court of Appeals that the chance of a sale of the Canal to satisfy the State's liens within any reasonably near period is a very remote possibility and one of very slight commercial value.

Yours very truly,

Wm. S. Bryan, Jr.,

Hon. Edwin Warfield,

Governor of Maryland.

The Governor stated that the Board was ready to hear any one who desired to speak on the subject of the sale of the State's interest in the Chesapeake and Ohio Canal to take action on which the Board was now assembled.

Mr. Fairfax S. Landstreet stated that he had nothing to add to the statement made by him at the meeting of the Board on the 14th, inst., except that he desired to stand by every word then spoken by him and that he was ready to make payment in full for the property upon the day that a proper instrument of conveyance is handed him. In reply to a question he stated that he was perfectly willing to agree to any requirement as to the relinquishment of the tax exemption now enjoyed by the Canal property, on

any portion of said property to be used for railway or purposes other than those of a water way and that neither he nor those who he represented had any intention of using the interest of the State for any purpose than as already stated to aid them in litigation in connection with the expediting of the building of their railway line.

Mr. B. A. Richmond, Mr. Landstreet's attorney repeated substantially what Mr. Landstreet said at the previous meeting and as above and stated that in order to reach an agreement with parties in interest he and those whom he represented were willing to pay \$155,000 for an interest which commercially would not be worth a cent to them but which they hoped and believed they could use as "a club" to force their opponents in litigation to reach an agreement with them. His clients did not wish to build a Canal ~~or~~ not to operate a Canal<sup>or</sup> nor to build a railroad on the ~~canal~~ canal road bed but they did want the right to use certain small sections of the canal company's property for their road bed without obstruction and delay. In reply to question both Mr. Landstreet and Mr. Richmond repeated that were the corpus of the canal itself for sale they would not bid a cent for it. Mr. Richmond stated in response to an inquiry that the liens on the property were about as follows \$500,000 bonds of 1878 with 26 years accrued interest which makes the total amount now due about \$1,300,000 or \$1,400,000, the amount expended for repairing the Canal in the great flood of -----, about \$430,000 which is undoubtedly in his opinion a first lien on the property; judgments for labor etc., amounting to \$225,000 with some ten years interest amounting in all to something over \$300,000 and the bonds of 1844 with accrued interest from that time. The admitted prior liens on the corpus of the Canal now amount to about \$1,625,000; the bonds of 1844 amount to \$1,699,000 with accrued interest to date but this indebtedness is a lien only upon the earnings of the canal and not upon the property itself.

Treasurer Vandiver read from the Baltimore Sun of February 8th, 1890 an interview with John K. Cowen.

The Governor expressed his views as follows: This is the fourth time that the State's interest in the Chesapeake and Ohio Canal has been offered for sale. Bids were first opened Octo-

ber 8th, 1895 by Governor Brown. Three offers were then made; (1). Messrs. Cowen, Bryan and Bond, trustees, bid unconditionally \$310,000 cash for the State's interest. (2). The Washington and Cumberland Railroad Company in which Senator Henry G. Davis (representing the West Virginia Central Railroad) was interested, offered to lease the Canal property for 99 years, renewable forever at \$15,000 annual rental, with the right of redemption of the payment of \$3,000; and also proposed to pay \$600,000 for the repair bonds of 1878; 25 per cent (or \$425,000) of the \$1,700,000 bonds of 1844; \$300,000 for judgment on the wharf property at Cumberland; and \$70,000 for labor claims; making a total \$1,425,000 for the corpus of the Canal. The estimated value of the State's interest included in this bid was \$300,000. (3). Richard C. Korens, representing also the West Virginia interests offered a bid of \$526,000. The condition of this bid was that he subrogated to all the rights of the State and that the property should be sold at public sale within one year, and possession of the property be delivered to the purchaser upon ratification of the sale.

These bids were all rejected by Governor Brown and associates. The second offering was on February 6th, 1899. Mr. C. K. Lord, representing the Baltimore and Ohio Railroad was the only bidder. He offered \$300,000 in cash for the State's interest.

The next offering was December 11, 1899,

(1). General John Gill then submitted on behalf of Senator Henry G. Davis of the West Virginia Central Railroad a bid of \$400,000 upon the condition that all labor claims costs and judgments (amounting to about \$200,000) should be paid leaving the net bid about \$200,000.

(2). Mr. Charles K. Lord representing the Baltimore and Ohio Railroad then bid \$425,000 liens to be deducted which would ~~xxxxxx~~ leave his net bid about \$225,000.

These bids were rejected. Baltimore City, through its Mayor, Hon. Thomas G. Hayes, opposing and protesting against their acceptance, because there was no assurance that the West Virginia Central would construct a competing line into Baltimore City.

Thus it will be seen that at these three offerings but two interests were represented in the bidding, the Baltimore and Ohio and the West Virginia Central and that the highest value placed



upon the State's interest was \$310,000 offered nine years ago by Messrs. Cowen, Bryan and Bond, the trustees.

This equity or contingent interest of the State in the Canal has been each year growing less valuable because of the increase in the amount of the prior claims or liens by the accumulations of interests and costs.

The highest valuation placed upon the corpus of the canal by any bidder was \$1,425,000 offered by representatives of the West Virginia Central at the first bidding.

When the present bids are compared with the amounts heretofore offered for the State's interest in the Canal it will be seen that those we are now considering were evidently based upon the valuations made by former bidders.

The question before us is, can we reasonably expect that a greater amount will be bid for the Canal property if the Court should direct the trustees to sell the corpus of the canal in 1906 (a remote contingency).

If the highest bona fide bid should then be \$1,625,000 the amount necessary to pay all prior liens and the costs and expenses of trusteeship, how can the State of Maryland then protect her interests, and secure a price out of which the State can realize a dividend equal to \$155,000 the highest bid now before us?

The Board of Public Works could not be a bidder at such a sale because it has no authority to expend money in the purchase of the canal and the only way in which the State's interest could be protected and guarded would be through a bid by the Board of Public Works. They not only have no authority to make such a bid but they have not the money with which to pay for the property should they become the highest bidder.

I believe the people of Maryland are not willing to invest any more money in this canal property. If I could have assurances that there would be responsible bidders for this property should it be offered at public auction who would pay more than has been heretofore tendered for it; I might be willing to postpone the sale. But having no such assurance, I am in favor of now selling the State's interest to the highest bidder.

After wide advertisement and general publicity given through leading newspapers we have received but two proposals both of which are practically by the same interests which either directly

or indirectly represented by bidders at the previous offerings.

The highest bidder now represents a railroad system that is constructing a competing line from the west into Baltimore City, so that the acceptance of Mr. Landstreet's bid will promote just what the people of Baltimore and of Maryland have wanted and needed --- a competing railroad from the coal fields and the great west to Baltimore City.

The final disposition of the State's interest in the Chesapeake and Ohio Canal should be held by the people as the solution of a problem that has cost the tax payers of the State many millions of dollars.

Strange as it may seem there has been no substantial public protests at this time against the sale of the State's interest in the canal.

<sup>Time</sup>  
~~This~~ alone will prove whether we have acted wisely in this matter. I have exercised my best judgment and am content to abide the verdict of the future as to the wisdom of my action.

In reply to questions Mr. Landstreet made clear his position on the matter of tax exemption as follows: "We are perfectly willing to forego the tax exemption on any portion of the canal property which we may use for purposes other than those of a canal but we certainly do not agree that under such circumstances the entire canal property shall be subject to taxation and that all benefit of the present tax exemption shall cease.

The Board upon motion of Dr. Atkinson, seconded by Mr. Vandiver, went into executive session.

The Secretary, upon request of Mr. Vandiver, read that gentleman's objections to the sale to Mr. Landstreet at the price offered as follows.

Annapolis, Md., December 22, 1904.

In addition and in confirmation of the objection stated by me to the acceptance of the bid of F. S. Landstreet for the State's interest in the Chesapeake and Ohio Canal Company I desire to say that my first and controlling objection is that the offer of F. S. Landstreet of \$155,000 is totally inadequate.

Second. I am firmly convinced that both the bids should be rejected and if a majority of the Board are determined to dispose of the State's interest at this time we should make ~~further~~ further

effort to obtain a better price.

Third. I do not hesitate to venture the opinion that the State's interest can be sold for a sum exceeding the present offer.

Fourth. I reiterate my former statement, that, if the sale is postponed until such time as the purchaser could be placed in possession of the corpus of the canal the State would realize more than double the amount offered.

Fifth. I base this statement upon the opinion of men competent to determine the value of the State's holdings in the canal which I shall present to the Board.

Sixth. The exemption of the Canal Company's property from taxation referred to in my former statement, and to which the Attorney General, at the request of the Governor has prepared a reply, admits that if the canal is sold to Mr. Landstreet and operated as a canal, it remains free from taxation. The resolution which he has prepared binding Mr. Landstreet, his successors or assigns, to pass a resolution requesting an amendment of the charter of the Company, operating or maintaining of a railroad or railroad tracks upon the property of the Canal Company, confirms my impression; but it will be noted that if the purchaser operated the canal as a canal it would remain exempt from taxation as per the resolution of the Attorney General.

Seventh. The importance of this question, I suggest, should impel us not to dispose of the State's interest without submitting the matter to the next General Assembly.

I therefore, renew my protest against the acceptance of either of the bids now pending.

Murray Vandiver.

which was ordered spread upon the minutes.

Mr. Vandiver offered the following:

"Resolved, That in the judgment of the Board it is deemed best ~~xxxx~~ for the interest of the State that the offers, now pending, for the purchase of the State's interest in the Chesapeake and Ohio Canal Company be not accepted until the entire transaction shall be submitted at the meeting of the next General Assembly for its consideration and action. "

Murray Vandiver.

On which, at Mr. Vandiver's demand the roll was called the vote resulting: The Governor "no;" the Comptroller "no;" the Treasurer "yea." So the motion was lost.

Comptroller Atkinson thereupon offered the following resolution; prepared by the Attorney General of the State at the Governor's request;

"Resolved, by the Board of Public Works of Maryland that the bid of Mr. Fairfax S. Landstreet for the State's interest in the Chesapeake and Ohio Canal and in the Chesapeake and Ohio Canal Company, be and the same is hereby accepted, provided the said F. S. Landstreet assents to the insertion in the assignment in the State's interest in the said Chesapeake and Ohio Canal, and in the said Chesapeake and Ohio Canal Company of a clause reading as follows:

"And it is expressly understood that this consignment is made upon the condition that the grant<sup>ee</sup> herein F. S. Landstreet on or before the first day of December 1905, cause, or procure, a resolution to be passed at a duly called meeting of the stockholders of the Chesapeake and Ohio Canal Company (if the stock hereby assigned to him is sufficient to enable him to so pass the same) reading thus: "Be it resolved by the stockholders of the Chesapeake and Ohio Canal Company that the General Assembly of Maryland be and hereby is requested to amend the charter of the said Chesapeake and Ohio Canal Company enacting that, if the said Chesapeake and Ohio Canal Company shall at any time build, operate or maintain, or grant or attempt to grant, to any other persons, or number of persons, or to any body corporate, the right to build, operate or maintain any railroad or railroad tracks upon the property of said Chesapeake and Ohio Canal Company, that then any and all exemptions from taxation now held and enjoyed by said Chesapeake and Ohio Canal Company shall be surrendered and forfeited to the State of Maryland. It being understood, however, that the purchase of acquisition, by condemnation of the Western Maryland Railroad Company of the rights of way and other easements authorized to be acquired by the said Western Maryland Railroad Company by Chapter 56 of the Acts of 1904, shall not be construed as a grant of the right to build, operate and maintain a railroad on

the property of the Chesapeake and Ohio Canal Company within the meaning of this resolution. And the Chesapeake and Ohio Canal Company gives its unrevocable assent to the passage of an amendment of its charter to the above effect, by the General Assembly of Maryland. And the Chesapeake and Ohio Canal Company hereby directs the presiding officer of this meeting of its stockholders to deliver within thirty days from this a copy of this resolution, certified under the seal of the Chesapeake and Ohio Canal Company to the Governor of Maryland.

And it is a further condition of this assignment that the said F.S. Landstreet shall on or before the first day of January 1906, cause a copy of said resolution duly authenticated by the seal of the said Chesapeake and Ohio Canal Company and attested by the signature of the presiding officer of the aforesaid ~~xxxx~~ meeting of the stockholders of the said Chesapeake and Ohio Canal Company to be delivered to the Governor of Maryland at his office in Annapolis.

If the said F.S. Landstreet and his heirs personal representatives and assigns shall fail to comply with both of the above named conditions by the times therein specified, then this assignment shall be and become void and all the right, title, interest and estate hereby conveyed to and vested in the said F. S. Landstreet his heirs, personal representatives and assigns, shall re-vest in the State of Maryland and again become the property thereof, and the State of Maryland, shall retain as liquidated damages for the breach of these conditions, the purchase price paid by the said F. S. Landstreet, his heirs, personally representatives and assigns for said interest of the State of Maryland in the Chesapeake and Ohio canal and in the property of the said Chesapeake and Ohio Canal Company.

It is expressly agreed, however, that if the said Landstreet his heirs, personal representatives and assigns shall be hindered prevented or delayed in causing the passage, by the meeting of the stockholders of the said Chesapeake and Ohio Canal Company of the above resolution by any ~~injunction~~ injunction or other order of Court that then if the said Landstreet, his heirs, personal representatives and assigns shall, in good faith and ordinary diligence resist the petition or suit in or upon which the said injunc-

tion or other restraining or hindering order was passed and shall prosecute said petition or suit to the Court of last resort, the said Landstreet, his heirs, personal representatives and assigns shall have an extension of six months from the date of final dissolution of said injunction or from the date of the final rescission of such other order restraining, hindering, or preventing the passage of said resolution by the said stockholders' meeting of the Chesapeake and Ohio Canal Company in which to cause or procure the passage of the aforesaid resolution, and the said Landstreet shall have a further extension of one month within which to have an authenticated copy of said resolution presented to the then Governor of Maryland as hereinbefore required. But should any such litigation result in a final judgment in a Court of last resort preventing the passage of said resolution the said condition of said transfer of the State's interest to said Landstreet, shall be regarded as abandoned, released and satisfied without further action on his part." Seconded by Governor Warfield, on Mr.

Vandiver's demand the roll was called the vote resulting: The Governor "aye;" the Comptroller "aye;" the Treasurer "no." The Governor thereupon declared resolution adopted, and that the bid of Mr. Fairfax S. Landstreet for the purchase of the State's interest in the Chesapeake and Ohio Canal and in the Chesapeake and Ohio Canal Company for the sum of one hundred and fifty five thousand dollars, in accordance with the terms of the advertisement of sale had been accepted and the Attorney General was directed to prepare necessary articles of conveyance for the property.

Mr. Landstreet being recalled and informed that he was the successful bidder repeated upon request his assurance that in this matter he was acting for and in behalf of the Western Maryland Railroad Company and Wabash interests and he desired to be so recorded. X

Dr. Atkinson moved that the certified check for \$25,000 deposited by Mr. Wheelwright the unsuccessful bidder be returned to his representative Mr. Lord. Seconded by the Treasurer and carried. The check was thereupon returned to Mr. Lord, who was present in person.

On motion of the Comptroller, seconded by the Treasurer, the consideration of the election of insurance commissioner to succeed

Mr. Lloyd Wilkinson was postponed to January 4th, 1905.

On motion of the Treasurer, seconded by the Comptroller, it was decided to execute power of attorney to Daniel A. Randall and Frank A. Monroe to vote the State's stock in the Farmers National Bank of Annapolis at the annual election of the directors of that institution.

On motion of the Comptroller, seconded by the Treasurer, it was decided to accept the bid of \$350 made Karwoski (?) for ----- upon the condition that the material purchased by him be immediately removed. The Comptroller moved that the sale of three old desks by the Superintendent of Public Buildings for \$9.00 be approved and that the money be turned be turned into the Board's contingent fund. Seconded by the Treasurer and carried.

On motion of the Comptroller, seconded by the Treasurer, the Board at 4:15 adjourned.

*Orval Tilghman*  
Secretary.